

REPORT OF CHANGE IN OWNERSHIP OR DISCONTINUANCE OF BUSINESS IN WHOLE OR PART

PART 1 ENTER DATE OF CHANGE & STATUS OF OWNERSHIP PRIOR TO CHANGE

DATE OF TRANSFER/CLOSING	EMPLOYER NO.	FEDERAL NO.
Names of Owner/s or Officer/s Phone ()	TYPE OF OWNERSHIP Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Other (<i>Explain</i>) <input type="checkbox"/>	REASON FOR CHANGE Sold..... <input type="checkbox"/> Leased..... <input type="checkbox"/> Quit..... <input type="checkbox"/> Lease Reverted..... <input type="checkbox"/> Ky. Job Completed. <input type="checkbox"/> Other (<i>Explain</i>)..... <input type="checkbox"/>
Trade or Business Name & Address		TYPE OF CHANGE Closed, No Successor..... <input type="checkbox"/> (<i>Omit Parts 2, 3 & 4</i>)
		Transferred in Entirety (ALL KY OPERATIONS)... <input type="checkbox"/> (<i>Complete Part 2 - Both Parties Must Sign</i>)
		Transferred in Part..... <input type="checkbox"/> (<i>Complete Parts 2, 3 & 4 - Both Parties Must Sign</i>)

PART 2 ENTER DATA FOR NEW OWNERSHIP

EMPLOYER NO.

FEDERAL NO.

Name, Address & S.S. # of Owner/s, Officer/s or Member/s	TYPE OF OWNERSHIP	TRADE OR BUSINESS NAME, ADDRESS & ZIP CODE
	Proprietorship <input type="checkbox"/>	
	Partnership <input type="checkbox"/>	
	Corporation <input type="checkbox"/>	
	Other (<i>Explain</i>) <input type="checkbox"/>	
Location of Business in Kentucky (Street, City, Zip Code) Phone ()	Principal Activity	Principal Product

PART 3 ENTER DATA FOR RETAINED PORTION

EMPLOYER NO.

FEDERAL NO.

Name, Address & S.S. # of Owner/s, Officer/s or Member/s	TYPE OF OWNERSHIP	TRADE OR BUSINESS NAME, ADDRESS & ZIP CODE
	Proprietorship <input type="checkbox"/>	
	Partnership <input type="checkbox"/>	
	Corporation <input type="checkbox"/>	
	Other (<i>Explain</i>) <input type="checkbox"/>	
Location of Business in Kentucky (Street, City, Zip Code) Phone ()	Principal Activity	Principal Product

PART 4 TRANSFERS IN PART ONLY - ENTER EMPLOYMENT DATA FOR TRANSFERRED PORTION & % OF RESERVE ACCOUNT TO BE TRANSFERRED

20 Weeks of employment of at least <u>one</u> or more workers in either the year of the transfer or in the preceding calendar year.	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
20 Weeks of employment of at least 10 or more workers in either the year of the transfer or in the preceding calendar year.	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
\$1500 Quarterly payroll in either the year of the transfer or in the preceding calendar year.	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
\$20,000 Quarterly payroll in either the year of the transfer or in the preceding calendar year.	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>

Predecessor's date of first employment for transferred portion. _____

The Transferor (Predecessor) and the Transferee (Successor in part) Hereby agree to the Transfer of _____ %
of the Resources and Liabilities of the Transferor's Reserve Account. (KRS 341.540)

Percentage of reserve transferred must be based on payroll or number of employees transferred. Please indicate which basis has been used. _____

Signature & Title of Transferor or
Disposing Employer Shown in **Part 1**
(Owner or Officer)

Signature & Title of Transferee or
Acquiring Employer Shown in **Part 2**
(Owner or Officer)

Date

341.540 Reserve accounts of successive employing unit.-- (1) Any employing unit which succeeds to or acquires the organization, trade or business of a subject employer shall assume the resources and liabilities of the predecessor's reserve account, including interest, and shall continue the payment of all contributions and interest due under this chapter, except that the successor or acquirer shall not be required to assume the liability of any delinquent contributions and interest of a predecessor or predecessors unless the cabinet notifies the successor or acquirer of such delinquency within six (6) months after the department has notice of the succession or acquisition.

(2) The liability for delinquent contributions and interest imposed upon the successor or acquirer by subsection (1) of this section shall be secondary to the liability of the predecessor or predecessors, and if the delinquency has been reduced to judgment, the order of execution on such judgment shall be as follows:

- (a) Against the assets, both real and personal, of the predecessor or predecessors;
- (b) Against the assets, both real and personal, of the business acquired; and
- (c) Against the assets, both real and personal, of the successor or acquirer.

(3) Notwithstanding the provisions of subsection (1), any employing unit which succeeds to or acquires a segregable and identifiable portion of the organization, trade or business from a subject employer, and who is, or by reason of the succession or acquisition becomes, a subject employer, shall assume the position of an employer with respect to the resources and liabilities of the reserve account in proportion to the percentage of the payroll or employees assignable to the transferred portion. In calculating the transferred portion, the secretary shall utilize the last four (4) calendar quarters, preceding the date of succession or acquisition, for workers employed by the successor subsequent to that date. The taxable payroll, benefit charges and the potential benefit charges shall likewise be assumed by the successors or acquirers in interest in a like proportion.

(4) (a) The contribution rate of a successor or acquirer employing unit, whether in whole or in part, which was a subject employer prior to such succession or acquisition, shall not be affected by the transfer of the reserve account for the remainder of the rate year in which such succession or acquisition occurred.

(b) The contribution rate of a successor or acquirer employing unit, either in whole or in part, which was not a subject employer prior to such succession or acquisition, shall be, for the calendar year in which such succession or acquisition occurred, the same rate as that of its predecessor.

(c) The contribution rate for a successor or acquirer employing unit, which was not a subject employer prior to the simultaneous succession to or acquisition of two (2) or more predecessor reserve accounts, either in whole or in part, shall be the rate determined in accordance with the provisions of KRS 341.270, by combining the reserve accounts succeeded to or acquired as they existed as of the computation date for determining rates for the calendar year in which such succession or acquisition occurred.

(d) The contribution rate of a successor or acquirer employing unit which succeeds to or acquires, either in whole or in part, a predecessor's reserve account after a computation date but prior to the beginning of the calendar year immediately following such computation date shall be the rate determined, in accordance with KRS 341.270, be effecting the transfer of such reserve account as of the computation date immediately preceding the date of such succession or acquisition.